The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Wise men argue causes and fools decide them.—Anacharsis.

WHOLE NO. 1050. WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, MAY 23, 1931 FRANK MORRISON, Secretary VOL. 21, NO. 11.

BANKER POOR DOCTOR FOR INDUSTRIAL ILLS

—Wm. Green, President A. F. of L.

Houston, Texas, May 23.—"Bankers have proven poor doctors in treating the economic ills of the bituminous coal industry and they should not be permitted to prescribe for other industrial patients," said Wm. Green, president A. F. of L., in an address to the Brotherhood of Railroad Trainmen's convention in this city.

"If bankers and their sympathetic friends were right, the bituminous coal industry, which is on the verge of bankruptcy, ought to be the most prosperous of all American industries," said Mr. Green.

"It is common knowledge that during this depression in the soft coal fields of Ohio, West Virginia, Kentucky, Central and Western Pennsylvania and Maryland, mine workers' wages have been reduced below a subsistence level. If reduction in wages means prosperity, soft coal operators in these fields ought to be wealthy. The facts are, that bankers who are demanding wage reductions will not accept the stock of many of these coal companies as collateral for loans. The disaster which befell the bituminous coal industry dates from the time when the operators began to reduce wages.

"Through the coercion of certain bankers the bituminous coal industry has been 'deflated' and this industry is in a worse economic condition than agriculture.

"Bankers allege that commodity prices have been lowered and for that reason wages should be reduced. The facts are that actual living costs at retail prices have only declined six per cent since 1929. During the 10-year period ending in 1929 the productivity of the individual worker increased 49 per cent while his buying power increased only 24 per cent."

BANKER SPOKESMEN DISCUSS WAGE CUTS

New York, May 23.—"Wage reductions have gone further than is generally realized," says the Magazine of Wall Street.

This publication says the "inflexible optimism" of political and industrial leaders is doing more harm than good. Deflation is predicted and all "illusory hope of a quick recovery" is rejected.

Workers are offered the poor consolation that if they accept this deflation they "may" have a higher living standard than before the slump.

Workers' wages are classed with rents, taxes and commodity prices, with no regard for the human element. The magazine places no credence in the claim that wages have not been reduced, but insists that these cuts, despite contrary propaganda, are general.

The Wall Street Journal, another observer of things financial, says financiers and bankers are watching a strike of steel workers in an unorganized Ohio plant, and makes this significant statement:

"This is because of the growing belief that the action of this small independent may have been decided upon as a test of conditions that will be followed by similar action by larger independent companies and finally by the United States Steel Corporation. Many believe that wage reductions in the steel industry are almost a certainty."

Later reports, however, indicate that the workers defeated the wage cut.

Other observers are less certain that steel will cut wages as these workers now are on part time employment and wage reductions might precipitate a revolt in this highly unorganized industry.

ANOTHER SURVEY TO SECURE FACTS

New Haven, Conn., May 23.—Another survey is to be inflicted on the jobless of this city. While the depression has been on for nearly two years, this latest probe, it is announced, "will be used as a basis for recommending practical and accurate methods of measuring such (jobless) conditions in any community."

E. J. Wilde of the Citizens' Committee on Unemployment, said of the survey:

"If the people of New Haven are to meet adequately the distress which will undoubtedly occur to our fellow citizens next winter, unless some decided improvement in business conditions appears, we must have definite facts and figures upon which to base conclusions. From these conclusions we hope to evolve some plan which will meet the situation."

ECONOMIC CHANGES SOUGHT BY CHURCH

New York, May 23.—Episcopalian church men voted to favor a commission to consider economic adjustments and to protect workers against a recurrence of the hardships of business depressions.

A small minority of the churchmen, in attendance at the annual convention of the Protestant Episcopal Diocese of New York, protested that the proposal would "drag the church into politics."

The resolution was offered by Charles C. Burlingham, chairman of the church's social service commission. He refused to be alarmed at the cry of "politics" and insisted that the church "is very much concerned as to the recurrence of unemployment situations."

Bankers Can Conceal Wage-Cutting Tracks

Wage cutting policies of certain banking interests and employers is indefensible, declared the A. F. of L. Executive Council at its recent meeting in Washington.

Workers, organized and unorganized, were called upon to "resist to the fullest extent any and all attempts to reduce wages."

Outstanding individuals in the Nation's banking group have publicly favored wage cuts, while pleading that their association has not indorsed this plan.

Do these bankers imagine that workers have not passed out of their childhood days?

Do they imagine that workers see any difference between an "agreement" and an "understanding"? Between a widely heralded resolution and a mere suggestion at the right time and to the right parties?

Bankers don't do business via the brass band route. A word, a hint, will suffice.

To pass a wage-cutting resolution would be tactless. It would arouse opposition that bankers can avoid by smoother policies.

Bankers have their own phraseology; their own methods.

A mere suggestion that credit might be curtailed by business men who have a "high" labor cost is sufficient.

Bankers control the Nation's credit. They are the key to our economic life. Through them loans are secured to finance industry, construction and transportation.

They are interested in the "wages" of dollars—not wages of workers.

The would-be borrower understands when the banker suavely and smilingly intimates that "high" labor costs "will compel close scrutiny of the loan application."

WOMEN ARE NOT PAID "PAPER" WAGE SCALE

Washington, May 23.—Working women in Massachusetts are paid as low as $3 and $4 a week, according to information received from that State by the Federal Women's Bureau.

This rate is less general than $5, $6 and $7 a week for full-time employment.

Under the Massachusetts law the State Wage Commission recommends a wage rate. This is not mandatory, but the authors of the law were confident that it could be enforced by a public opinion, and by publishing this rate in newspapers. Exploiting employers pay no attention to these decrees and as the women are unorganized they are compelled to accept pauper rates.

Some of the work, as the manufacture of men's furnishings, children's clothing, underwear and radio parts, comes under existing wage decrees. In other instances no decrees have been established for the occupation. This situation exists particularly in some of the textile cities.

"Owing to the serious business depression, it has been possible for these concerns to secure women and girls, and men and boys as well, at subnormal rates of wages," it is stated.

VETERANS ASK HOOVER TO CALL WORK PARLEY

Indianapolis, May 23.—A non-political conference to consider the economic depression is being urged by the national executive committee of the American Legion.

The committee urged "that such conference analyze the charges that have been freely made in the press that the financial and business leaders failed to recognize the warning signs fully one year ahead of the depression and failed to sound the warning that might have, in some measure, minimized the depression that followed."

A national survey by the 10,000 Legion posts indicates that more than 6,000,000 persons are unemployed, the committee said. It is estimated that 750,000 former service men are among this number.

The proposed conference would include representatives of labor, industry, capital and finance, agriculture, and other elements of our industrial life."

MITTEN MANAGEMENT LOSES CAR CONTROL

Philadelphia, May 23.—Control of the local street car system has passed from Mitten Management, founded by the late Thomas E. Mitten.

Proceedings in Common Pleas Court ended by an agreement that business men take charge of the Philadelphia Rapid Transit Company, a new board of directors will be formed and the company "union" is continued.

Mitten Management evolved a scheme whereby workers would invest a portion of their wages in company stock. It is charged that vast sums were expended on salaries to "yes-yes" men, who hailed Mitten Management as the final word in the "new" relation of capitalists and labor. Every effort will be made to protect the savings of workers because of the disastrous effect on the morale of these employes.

ED CURTIS' FUNERAL ATTENDED BY MANY

San Antonio, Texas, May 23.—The funeral of Edward P. Curtis, president Order of Railway Conductors, was one of the largest in the history of this city. The pallbearers were all members of President Curtis' home division—Smithville, Texas.

He died in Kansas City four days after the fortieth convention of the conductors convened in that city.

He was elected president three years ago at Jacksonville, Fla., succeeding L. E. Sheppard, who resigned. He was general secretary at the time.

RAILROADS FORBIDDEN TO OPERATE TRUCKS

St. Paul, Minn., May 23.—The Railroad and Warehouse Commission denied the Chicago Great Western railroad permission to operate motor trucks between points served by the railroad for the handling of less than carload freight.

A bill passed by the recent Legislature, providing that no railroad be authorized to engage in highway transportation, was one reason for the denial.

STATE SUPREME COURT UPHOLDS FREE PRESS

Madison, Wis., May 23.—The State Supreme Court sustained the refusal of the Milwaukee Circuit Court to enjoin a newspaper from opposing rate increases by the Milwaukee Electric Railway and Light Company.

The newspaper—the Milwaukee Post—called on citizens to organize and to refuse to pay an extra fare. The company sought to enjoin the newspaper from interfering with its "property rights."

The Supreme Court declared that freedom of the press, guaranteed by the Constitution, prohibits the court from issuing an injunction against the publication of articles in a newspaper, and asserted that every person is assured the right to speak, write or publish his sentiments on all subjects.

"A mere apprehension of future injury is not enough to warrant the issuance of a permanent injunction," the court declared.

The article objected to by the company read, in part, as follows: "To Arms, North Milwaukeeans! Refuse to pay 6 cents for two miles of street car riding. In Old Milwaukee they can ride 10 and 12 miles on one fare. We, of the Newer Milwaukee, victims of unkept promises, must pay 13 cents to ride to our homes from our daily toil. There isn't a policeman in the city who would arrest you for demanding your rights. Let's fight for our rights if is to secure them."

The Post, in its defense, claimed the last sentence was not an exhortation to violence, but was merely comparable to the "big stick" campaign waged by President Roosevelt.

WATER BONDS DECISION EFFECTS COMPENSATION

Columbus, Ohio, May 23.—Attorney General Bettman asked the State Supreme Court to review its recent decision that the commissioners of Allen County can not be compelled to pay sewer and water district bonds.

The court held that the work for which such bonds were issued does not benefit the entire county. The decision, if insisted on, will jeopardize the validity of $1,250,000 of bonds sold by the State of Ohio in the teachers' retirement and workmen's compensation funds.

Attorney General Bettman points out that the decision also jeopardizes $50,000,000 of bonds held throughout Ohio and the United States.

The decision has attracted the attention of attorneys of bond houses. The Attorney General said that if the decision is upheld it will affect Ohio's credit and retard the State's public works program.

BUILDING WORKERS WIN; DEFEAT WAGE REDUCTION

Indianapolis, May 23.—Building craftsmen won a 15-day victory against a proposed 20 per cent blanket wage reduction from the 1930 scale.

The Employers' Association offered to arbitrate the question, but the workers replied that the association was usurping an authority in negotiations between them and employers.

WAGE CUT WON'T AID

Chicago, May 23.—Three firms ask Cigarmakers' Union No. 14 to accept a 10 per cent wage reduction "to aid in the depression." The union rejects this theory.

"INSIDERS" GET OUT BEFORE STOCK CRASH

Washington, May 23.—The stock market crash of 1929 did not fool "insiders," according to a preliminary report of income for 1929, as returned to the Internal Revenue Bureau.

Many individuals whose income exceeds $25,000 — known as group three — the figures show, cashed in their long-pull profits before the collapse.

Dividends received by this group were one-third of its total income and it is estimated that a major portion of such profits were taken by the sale of stocks.

Net profits reported by this group were $2,316,193,4... in 1929, as compared with $1,843,-329,590 in 1928 and $1,081,186,-018 in 1927.

The 1929 profits were nearly half a billion dollars more than the previous year and nearly $1,300,000,000 more than in 1927.

While unloading was going on, the public were assured that prosperity would continue. This propaganda upheld the market so that the "cashing in" could continue at top prices. The market collapse started in November, 1929.

DRESS WORKERS OUT; HOUR RATE SIX CENTS

Collinsville, Ill., May 23.—More than 500 girls employed by the Forest City Dress Manufacturing Company are on strike against a wage that nets them as low as 6 cents an hour.

Organized labor is supporting these workers, who have been enjoined by a Federal court. When they were discussing strike the company notified them that the plant would move out of town.

The girls replied: "Go ahead, you have ceased to be a benefit to workers or the community."

A photograph of eight pay checks for eight girls for the last week they worked, each with a 53-hour week, showed a total of $26.80, a fraction over 6 cents per hour for 424 hours of labor.

This wage is the culmination of repeated reductions that started in September, last year. The company disregarded the 10-hour law for women. Girls were compelled to work from 7 a. m. until 9 p. m. with half an hour for noon lunch and half an hour for supper in the evening for three nights per week and one week for five nights.

The girls were paid $3.40 for making a bundle of 24 dresses. These garments are retailed in this city for $9.98 per dress.

PENSIONS FOR OLD AGE PAID BY TRADE UNIONS

Washington, May 23.—There are 12 international labor organizations in this country which have an old-age pension system, according to the United States Bureau of Labor Statistics.

Data supplied to the bureau by 11 of these unions show that they had 13,049 pensioners and paid $3,402,180 in pensions last year. More than one-third of this amount was paid by the International Typographical Union.

During 1927-1930 the number of pensioners cared for rose from 6,839 to 13,049. Benefits rose from $2,362,-476 to $3,403,180, or 44 per cent.

Old age pensions has received considerable attention in labor meetings of late years, the bureau states.

TRADE UNION OPPONENTS AWAKE TO VALUE OF LABOR RADIO PLANT

Chicago, May 23.—"The enemies of labor have a desperate fear that the trade unions will awake to the tremendous possibilities of the radio," says Paul Stephens, writing in WCFL Magazine, publication of the labor radio station, the WCFL, located in this city.

Mr. Stephens calls attention to this frank statement by Examiner Yost of the Federal Radio Commission on the application of labor's station to secure a clear channel:

"The available financial resources, high-class program service and the need of the people for the service proposed to be rendered, challenge the careful and serious consideration of the request of the station (WCFL) for increased power on a cleared channel."

"The history of unionism is one of the most fascinating stories ever told —but the public has not heard it," says Mr. Stephens.

"The public is unaware of labor's contributions to social progress, which should be told and retold.

"Many are the specific services of great value that a station with a cleared channel could render workers. Labor conditions throughout the world would be daily reported. Workers would be given authentic information on employment. Frauds and quacks that prey upon the public, and particularly upon labor, would be exposed. The 'neglected truth' could be told about many business projects and rackets—there would be no need to fear the financial wrath of 'big business.' Labor's station would be unwanneled.

"The public would have a sympathetic understanding of the principles of trade unionism. Less money would them be needed for strike benefits; many problems that are now troublesome would yield to ready solution. Little wonder that the enemies of labor want the inspiring observations of Examiner Yost expunged from the record."

NEW AUTOCRAT LOOMS; LABOR FACES TROUBLES

Washington, May 23.—Political autocracy is being replaced by industrial autocracy and "American labor is probably in for the fight of its life," Matthew Woll, A. F. of L. vice president, told the annual conference of the National Association of Mutual Savings Banks, in this city.

"Let there be no illusions or confusion as to the serious issues before us," said Mr. Woll. "There is no good accomplished in minimizing the gravity of the situation confronting the American people, leaving aside the peoples of other nations.

"We are seeing the end of the last of the political autocrats of the world. Their ancient empires have either fallen or are falling. And the same will be true, in the end, of all economic autocracy. This is the reason for the organized and ruthless opposition of the autocracy of industry and of finance toward the organized labor movement.

"Organized labor has fought for a democratic share in the control over the lives and the labor of its people at this its second line of trenches in the lands.

"American labor is probably in for the fight of its life. The demand for the cutting of wages is a part of a campaign which is now only beginning again and which has been planned as a part of the international program of those who would master the world in the interests of a few.

"The most gigantic empire of all the ages is now being visioned by those men who look with complacency on the wrecking of a standard of civilization set up by the blood and tears of millions."

MECHANIZED MINES DISPLACE WORKERS

Cincinnati, May 23.—Thirty per cent of coal mines owned by members of the American Mining Congress are now operating mechanized, said the congress' mining engineer at a meeting in this city. The membership includes approximately 100 coal companies, operating 500 mines.

The Consolidation Coal Company of Fairmont, W. Va., it was stated, can average 14 and 15 tons per man per eight hours with the use of loading conveyors in thin seam mining. On individual shifts production was in excess of 19 tons per man. Mechanization increased the last year.

WHEAT ACREAGE CUT HELD UNWORKABLE

Washington, May 23.—The proposal to reduce wheat acreage by securing the signatures of at least 75 per cent of the wheat farmers to adopt this plan, is unworkable, said Chairman James C. Stone of the Federal Farm Board, in a letter to the North Pacific Grain Growers' Co-operative Association.

"The history of even regional sign-up campaigns among farmers is exceedingly discouraging, and so is the evidence of results from such campaigns," said Chairman Stone.

"All of those who live in close touch with the farmers are aware of widespread reluctance on their part to enter into contracts, or to take other actions, particularly where actions two or more years in advance are involved. Even to keep them to the degree to which such contracts were lived up to would be an enormous administrative task, and the enforcement of performance would be administratively, if not legally, impossible.

"The obstacles to performance of obligations would be vastly increased if those outside the association stood to gain more than those who signed."

BETHLEHEM BONUS TO BE CONTINUED

Newark, N. J., May 23.—Vice Chancellor John H. Backus ruled that a bonus paid to officers of the Bethlehem Steel Corporation shall be continued, pending final determination in the Federal District Court of the suit by 21 minority stockholders to compel an accounting of these payments totaling $36,495,668 and the refunding of any part thereof deemed to be excessive. The officials who receive the bonus must deposit a bond in the event that the suit is decided against them.

Although the bonus exceeds more than $1,000,000 for one official, the chancellor indicated his belief in a ruling that "big money" executives earn their bonus now, when they have been receiving large compensation and pay accordingly, would be unfair, he said.

FEAR IS WIDESPREAD OVER LOSS OF WORK

St. Louis, Mo., May 23.—Workers and their dependents are gripped with fear, Miss Wallace E. Donham of Harvard Graduate School of Business Administration, at a business men's luncheon.

"The psychology of fear," said Dean Donham, "is dominant not only in 6,000,000 unemployed and something like 12,000,000 dependents, but also in 7,500,000 half-time employes and their 14,000,000 dependents. It is dominant in other millions of industrial employes who fear the day when they may lose their jobs or go on half time."

The speaker discussed the possibility of unemployment insurance.

WEALTH IS IN FEW HANDS; POPE CALLS FOR JUST WAGE

Vatican City, May 23.—Accumulated riches in the hands of the few, the necessity for a just wage, a denial that labor is a commodity and the need to "reconstruct the whole economic system by bringing it back to the requirements of social justice" were included in a world radio address by Pope Pius XI.

The address was a resume of an encyclical on the "Social and Labor Question" that will be released within a week. It is expected that the encyclical will consist of 18,000 words.

The Pope said that in the past there has been "an excessive and unjust disproportion of the commodities of life between capital and labor, for on the one hand immense riches are accumulated in the hands of the few, while on the other hand the proletariat, who form millions beyond counting, have nothing of their own save their hands and the sweat of their brow."

"It is, therefore, absolutely necessary to reconstruct the whole economic system by bringing it back to the requirements of social justice as to insure a more equitable distribution of the united proceeds of capital and labor.

"The condition of the proletariat worker can not forever be the normal condition of the bulk of mankind. It is essential that the proletariat be enabled to obtain some of the advantages enjoyed by proprietors.

"In the present order this can be accomplished only by a fair and just wage. Wages, therefore, must be such as really to satisfy the legitimate requirements of an honest working man, not only for his personal, but also for his family and to make it possible for him to improve his conditions within the limits above described.

"Free and unbridled competition has been succeeded by the exaggerated dominion of the hands of a few of the whole economic power, not only of single nations, but of the entire world, and the proletariat, powerless into tyrannical despotism."

CHURCH MEN TAKE STRONG STAND ON PRESENT-DAY ECONOMIC ILLS

New York, May 23.—Unemployment and the whole economic situation will be brought to the attention of the Presbyterian General Assembly at its 23-June 3, by the presentation of a memorial unanimously adopted by the Presbytery of New York.

The resolutions declare that "the Presbytery of New York affirms its belief that there is needed an economic reconstruction of society that will distribute economic goods more in keeping with the principles of justice and brotherhood."

James Myers, industrial secretary Federal Council of the Churches of Christ, declared that "the church can not say at a time like this, with the apparent complacency of the president of the United States Chamber of Commerce, that 'the inherent strength of our economic position has been proved.'"

"The church, if it is true to the spirit of Christ," said Mr. Myers, "must realize itself as responsible in the least privileged. From their point of view it will be obliged to say that the inherent weakness of our present economic system has been proved."

Prof. Broadus Mitchell of Johns Hopkins University, Baltimore, declared that our economic system, based on individual effort, has broken down.

"President Hoover, the arch-individualist, has done more governing by commission than any other president," he said. "Business must cure its own ills. The business man and the government patterned in his image, in our present predicament has no measures to propose. Capital is mute.

"It is obvious that the day of individualism is passing or is done. It deals itself and us terrible blows. Instead of chance and charity, we need pure thought, deliberate planning, for the supply of society's needs."

UTILITIES EARNINGS REACH HUGE FIGURES

Raleigh, N. C., May 23.—The attempt of State legislators to place an equitable tax on power companies has revealed vast earnings by these corporations.

Dividends of the Duke Power Company in 1929 amounted to $1,980,486. In that year the company put into its surplus fund $3,697,155. This made a total profit of $5,867,641 for that year.

The Carolina Power and Light Company, the same year, paid $1,256,557 in dividends and placed $1,374,266 in their surplus fund. This was a net profit of $2,422,700.

Legislators point to the report of the Federal Trade Commission (page 704, July 15, 1930,) that the Carolina Power and Light Company watered its stock in the Pigeon River power project to the extent of $22,048,400. The Duke Power Company's stock represents water to the amount of not less than $50,000,000.

"As to the Mellon Company," declares the Raleigh News and Observer, "there is more water in the stocks than in the rivers of North Carolina from which they receive their power."

Legislators have asked the Duke Power Company and other corporations: "How much actual money has been invested in your properties?"

Pleas were made that these figures could not be stated offhand, but would be furnished. The request was made last February, but to date no information has been supplied.

NATIONAL FLAG WAVERS FAVOR WAGE REDUCTION

Toronto, Canada, May 23.—A wage reduction of 25 cents an hour is the offer of the National Labor Council of Toronto to building contractors. The council is a company labor organization that would arouse jingo sentiment among Canadian citizens by opposing affiliates of the American Federation of Labor.

The alleged "unionists" make this plea to contractors:

"We have the ability to carry on our business in Canada as well, if not better, with your satisfaction by contractors than any other organization controlled and dictated to by foreign countries."

The purpose of this flag waving has been exposed times without number by Canadian wage workers who have a loyalty and loyalty to their country and who have linked their economic interests with fellow craftsmen in the United States.

MORE IDLENESS LOOMS

New York, May 23.—"There are three gasoline stations for every one needed to serve the public," said W. C. Teagle, president Standard Oil Company of New Jersey, in his annual report.

He suggests that the building of these stations be ended and that others that can not be operated economically be abandoned, as the present policy ties up capital and increases overhead charges.

REPEAL ACT PASSED

Hartford, Conn., May 23.—The State House of Representatives approved a bill that will submit to voters the question of whether Connecticut shall petition Congress to favor repeal of the Eighteenth Amendment. The bill was supported by both political parties.

CHAIN STORE TAX UPHELD BY COURT

Washington, May 23.—The United States Supreme Court, by a 5-to-4 vote, reversed the Federal District Court and upheld the Indiana tax on chain stores.

Justice Sutherland dissented at length. His views were approved by Justices Van Devanter, Butler and McReynolds.

Justice Roberts, in the majority opinion, said "there seems to be some ground for making a distinction between chain and individual stores."

The decision is the first of its kind handed down by the Supreme Court and is considered important because it may pave the way for legislation in various States that are agitating against the chains.

The Indiana tax, or license fee, starts with $3 on one store. This increases until the license fee for each store in excess of 25 is $25 for each additional store.

HEAD TAX AND LOTTERY URGED TO PAY PENSION

Boston, May 23.—A head tax, the proceeds to pay for old age relief, was reported by the House Committee on Ways and Means.

Representative Sullivan proposed that his lottery bill be substituted. The lottery bill would create a State Commission, under whose auspices the lottery would be conducted.

MILK DRIVERS UNITE

Los Angeles, May 23.—Milk wagon drivers in this city have united. They are chartered by the International Brotherhood of Teamsters.